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No. 63-137

NRO REVIEW COMPLETED

27 November 1963

MEMORANDUM FOR: [REDACTED]

SUBJECT: Termination of Lanyard Program

1. The messages attached indicate a complete sequence of events covering the termination of the Lanyard Program which was directed by DNRO in [REDACTED] dated 23 October 1963. It is my understanding that Agency representatives participated with DNRO in this decision.

2. Five contracts are involved in the termination. They are:

ITEK CONTRACT
ITEK CONTRACT
IMSC CONTRACT
IMSC CONTRACT
IMSC CONTRACT

3. Subsequent to the issuance of the order DNRO in Message [REDACTED] authorized the completion of units 02, 07 and 08 by ITEK. Accordingly the contracting officer modified the termination notice [REDACTED] resulting in a partial termination of contract number [REDACTED] to permit completion at least through acceptance testing of units 02, 07 and 08. Contract [REDACTED] with ITEK remains terminated in its entirety. The completion of three units is a limited effort with minimum manpower, no overtime and a limitation on cost to complete of [REDACTED]

4. With respect to IMSC contract [REDACTED] was partially terminated to permit completion of the [REDACTED] and other related efforts as defined in [REDACTED] Contract [REDACTED] with IMSC is terminated in its entirety. The Lanyard effort under contract [REDACTED] with IMSC has been stopped except for the effort necessary at Boston in connection with completion of the three units.

5. The effective date of the first stop work order with ITEK is 25 October 1963 and 23 October 1963 at IMSC. There are sufficient copies of each of the termination actions in the attached sets of reproduced messages to permit filing in each of the contracts effected by the termination.

[REDACTED]
Contracting Officer

CD/OSA-DD/S&T
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Cy 11 - 15 [REDACTED] (For Filing)

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S E C R E T 23 OCTOBER 1963 1859Z

IMMEDIATE ☐ INFO ☐ CITE ☐

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LANYARD

FOR GEN GREER FROM DR. MCMILLAN

FOR THE CONVENIENCE OF THE GOVERNMENT, YOU ARE HEREWITH DIRECTED TO
TERMINATE THE LANYARD PROJECT IN THE FOLLOWING MANNER:

A. ISSUE STOP-WORK ORDERS IMMEDIATELY COVERING ALL WORK ASSOCIATED
WITH THIS PROJECT.

B. WITH REGARD TO THE PAYLOAD, YOU ARE TO DETERMINE THE DEGREE AND
EXTENT OF FURTHER WORK WHICH IS IN THE BEST INTERESTS OF THE GOVERNMENT
TO COMPLETE PRIOR TO TERMINATION OF CONTRACTS. SUCH WORK AS YOU DETERMINE
SHOULD BE COMPLETED. FOLLOWING WHICH ALL PAYLOAD HARDWARE IS TO BE PLACED
IN SECURE STORAGE, AND ALL PAYLOAD CONTRACTUAL EFFORT TERMINATED.

C. WITH REGARD TO ALL OTHER PROJECT HARDWARE, YOU ARE TO DETERMINE
THE EXTENT AND MANNER IN WHICH THIS HARDWARE CAN BE PHASED INTO OTHER
ON-GOING EFFORT, AND TAKE ACTION TO MODIFY AFFECTED CONTRACTS ACCORDINGLY.
PAYLOAD--PECULIAR HARDWARE SHOULD BE PLACED IN SECURE STORAGE.

S E C R E T 23 OCTOBER 1963

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S E C R E T 23 OCTOBER 1963 1957Z

IMMEDIATE [] INFO [] CITE []

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FOR IMMEDIATE DELIVERY EYES ONLY TO []

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[]
INTO EYES ONLY []

FROM CONTRACTING OFFICER []

1. EFFECTIVE IMMEDIATELY ITEK CORPORATION IS HEREBY DIRECTED TO STOP
ALL WORK ON LANYARD PROGRAM UNDER CONTRACT [] PENDING
FURTHER INSTRUCTIONS YOU ARE DIRECTED NOT TO SHIP L-4 INSTRUMENT.

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2. IT IS ANTICIPATED THAT FURTHER CLARIFYING INSTRUCTIONS WILL BE
ISSUED IN THE IMMEDIATE FUTURE.

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ACTION

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INFO

SECRET 011154Z

PRIORITY INFO

FOR IMMEDIATE DELIVERY TO

INFO

FROM CONTRACTING OFFICER

REF: A.

B.

REFERENCE A DIRECTED ITEK TO STOP ALL WORK ON THE LANYARD PROGRAM UNDER CONTRACTS

AND ARE HEREBY TERMINATED IN THEIR ENTIRETY PURSUANT TO THE CLAUSE THEREOF ENTITLED "TERMINATION FOR CONVENIENCE". CONCERNING REF B IT IS THE GOVERNMENT'S DECISION THAT NO REPEAT NO ADDITIONAL WORK OR TESTING WILL BE PERFORMED ON ANY CAMERA SYSTEMS OTHER THAN THAT REQUIRED TO SECURELY PACKAGE, INVENTORY AND PREPARE FOR SHIPMENT OR STORAGE. REPRESENTATIVES OF THE GOVERNMENT WILL ARRIVE AT ITEK NOVEMBER 5 AT WHICH TIME PLANS FOR THE INVENTORY, PACKAGING AND DISPOSITION OF ALL GOVERNMENT PROPERTY UNDER THE LANYARD PROGRAM WILL BE CONSIDERED. ITEK IS REQUESTED TO HAVE AN OUTLINE PLAN READY FOR DISCUSSION.

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PRIORITY INFO
CORONA/LANYARD
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ATTN: [REDACTED]

IN ORDER TO ASSURE THE GOVERNMENT MAXIMUM RETURN ON CONTRACT [REDACTED] PROPOSES TO COMPLETE CERTAIN INSTRUMENTS ON AN ECONOMICAL BASIS. THE FOLLOWING PLAN ASSUMES THAT NO FURTHER FLIGHTS WILL BE ACCOMPLISHED, THAT CAMERA SYSTEMS ABOVE 85 PERCENT WILL BE COMPLETED, AND THAT AFTER COMPLETION THE PROGRAM WILL BE PUT IN "MOTHBALLS."

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1. THE UNITS UNDER CONTRACT [REDACTED] ARE IN THE INDICATED PERCENTAGE OF COMPLETION THROUGH THE LEXINGTON DRT FINAL TEST AREA:

06 - 100 PERCENT

04 - 100 PERCENT

07 - 93.4 PERCENT

08 - 90.4 PERCENT

02 - 88.7 PERCENT

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2. THE UNITS UNDER CONTRACT [REDACTED] ARE LESS THAN 85 PERCENT COMPLETE.

3. UNIT 06 AND ALL ASSOCIATED SUPPORT EQUIPMENT AND SPARES SHOULD BE PUT IN A SHIPPING CONTAINER AND RETURNED TO BOSTON FOR STORAGE.

4. UNIT 04 IS IN BOSTON IN A TRANSIT CASE. IT SHOULD BE STORED.

5. UNIT 07 REQUIRES ONLY THE FOLLOWING TO MAKE IT 100 PERCENT PHYSICALLY COMPLETE AND READY FOR LEXINGTON:

A) INSTALLATION OF HAPL-13

B) INSTALLATION OF BE MIRROR NBR. 11 AFTER CURING AND TEST

C) INSTALLATION OF PLATEN WHICH IS 95 PERCENT COMPLETE

D) FINAL 128 TESTS.

6. UNIT 08 REQUIRES ONLY THE FOLLOWING TO MAKE IT 100 PERCENT COMPLETE:

A) INSTALLATION OF HAPL-11 REQUIRING REASSEMBLY AND TEST

B) INSTALLATION OF BE MIRROR NBR. 6 WHICH IS NOW AT FINAL POLISH AND FIGURE.

C) INSTALLATION OF PLATEN WHICH IS 90 PERCENT COMPLETE

D) MINOR FINAL ASSEMBLY AND TEST AT 128

7. UNIT 02 REQUIRES:

A) INSTALLATION OF HAPL-5 AFTER COMPLETION OF CELL REWORK, REASSEMBLY AND TEST.

B) INSTALLATION OF EITHER BE MIRROR NBR. 14 OR NBR. 16 WHICH ARE NOW IN FINAL POLISH AND TEST.

C) MINOR FINAL ASSEMBLY AND 128 TESTS.

8. DRT ACCEPTANCE TESTING COULD BE ADMINISTERED TO UNITS 07, 08, AND 02 WITH MINIMUM MANPOWER AND FOURTY (40) HOUR WEEK AND BE COMPLETED BY APPROXIMATELY 31 JANUARY 1964.

9. THE COSTS TO COMPLETE UNITS 07, 08 AND 02 ARE:

READY FOR DRT DRT COMPLETE

07

08

02

10. WE HAVE COMPLIED WITH YOUR STOP ORDER AND ARE AWAITING FURTHER INSTRUCTIONS. IMPLEMENTATION OF THE ABOVE PLAN WOULD ALLOW FOR THE MORE ORDERLY DISBANDING OF THE PROJECT AND WOULD APPEAR TO BE IN THE BEST INTEREST OF THE GOVERNMENT. URGE THAT THIS PLAN BE INCORPORATED INTO YOUR TERMINATION INSTRUCTIONS.

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Contract terminated

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ACTION

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FOR DR. MCMILLAN FROM GENERAL GREER

STATUS OF UNITS UNDER TERMINATED ITEK CONTRACTS

AND

AS FOLLOWS:

1. FIVE FOLLOW-ON UNITS UNDER CONTRACT LESS THAN 85 PERCENT COMPLETE.

2. FIVE REMAINING UNITS UNDER CONTRACT IN FOLLOWING PERCENTAGE OF COMPLETION THROUGH THE LEXINGTON DRT FINAL TEST AREA:

UNIT	PERCENTAGE OF COMPLETION
06	100
04	100
07	93.4
08	90.4
02	88.7

THE COMPLETION EFFORT PROPOSED BY ITEK WOULD GENERALLY INVOLVE INSTALLATION OF LENS, MIRRORS, PLATENS AND TEST. UNITS 07, 08 AND 02 WOULD BE BROUGHT TO A STATE OF COMPLETION AT AN ESTIMATED COST OF [REDACTED] AFTER WHICH ITEK WOULD PLACE ALL UNITS IN MOTH BALLS. NO FURTHER WORK WAS PROPOSED BY ITEK ON UNITS LESS THAN 85 PERCENT COMPLETE.

3. SINCE THERE WERE NO KNOWN REQUIREMENTS FOR THIS EQUIPMENT THE TWO ITEK CONTRACTS WERE TERMINATED WITH INSTRUCTIONS TO ITEK NOT TO PERFORM ANY FURTHER WORK ON ANY OF THE UNITS OTHER THAN THAT REQUIRED FOR PACKAGING AND STORAGE.

4. SHOULD YOU WISH TO COMPLETE THE UNITS AS PROPOSED BY ITEK THE TERMINATION NOTICE CAN BE AMENDED TO ACCOMPLISH THIS.

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